





Bankruptcy (n) 'bæŋkrəptsi

a situation in which a business or a person becomes unable to pay debts

Vocabularies

- **pay off** (v) peɪ ɒf
- **settlements** (n) 'setlmənts
- **stock** (n) stɒk
- **bankrupt** (adj) 'bæŋkrʌpt

a. Succeed

b. unable to pay debts

c. parts of the ownership of a company that people can buy

d. an official payment of money that helps end an argument or conflict

Company Bankrupt – level 3



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Level 1

Level 2

Level 3

A court has approved Pacific Gas & Electric's (PG&E) \$23 billion dollar **bankruptcy** financing package. The company's plan to raise the money to get out of bankruptcy was approved on Monday.

PG&E filed for bankruptcy protections last year, after its equipment was linked to multiple destructive wildfires in California in 2017 and 2018. The California governor rejected the plan at first; however, he changed his mind when the company attracted investors to buy up billions of dollars in company **stock**.

PG&E needs the money to help it pay off **settlements** with wildfire victims, insurers and government agencies.

Difficult words: **bankruptcy** (a situation in which a business or a person becomes unable to pay debts), **stock** (parts of the ownership of a company that people can buy), **settlement** (an official payment of money that helps end an argument or conflict).

Quick Check

- 1. What is the cause of PG&E bankruptcy?
- 2. How did the company resolve their financial crisis?
- 3. What does PG&E need the money for?

Conversation Questions

- Do you know any other big company or corporation that went bankrupt?
- What does bankruptcy protection mean?
- Have you bought stocks or made some investments?
- Have you ever enter/manage a business? How did it go?
- What's the most difficult struggles did you have?